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which the AZT cocktail was not putting off death as well as it is today, so these are people who are in need of immediate money for health benefits. They couldn't use the cash value of their insurance policy because they were too young to have built up a rather good deal, and they clearly were going to have a death benefit that was going to be payable to somebody in the near future. So the viatical settlement business sprung up in which the AIDs patient signed the death benefit to the viatical company, the viatical company would give the AIDs patient a lump sum to help finance their healthcare needs, and then upon death the viatical company would receive the death benefit. Frankly, it was one of the few ways that we had to finance medical treatment for AIDs patients. And so in that sense it does make sense. However, since those days, unscrupulous viatical companies have gone out and found transients, they have faked insurance reports as to the medical conditions of individuals, they have started paying a broker to go out and find appropriate people that might be insurance policyholders, and those brokers are paid a finders fee for discovering an appropriately sick person for whom then the viatical company initiates this whole process. The committee advanced it 7-0. It was supported not only by the Department of Banking and Insurance, those two departments, but also by the Insurance Federation and the trial attorneys. I would ask for the advancement of LB 52. There are a few committee amendments, and when recognized I'll try to explain those as well.

SENATOR CUDABACK: Thank you, Senator Landis. As Chairman of the Banking, Commerce, and Insurance Committee, you're recognized to open on the committee amendments.

SENATOR LANDIS: Committee amendments amend Section 2 to clarify that in a fraudulent viatical settlement there must be an act of omission or commission that is knowingly done with the intent to defraud, and then to provide a definition of viatical settlement broker. It also includes a licensed life insurance producer that meets the requirements of a viatical settlement provider or a viatical settlement broker license. The committee amendments amend Section 3, providing a licensed life insurance producer shall be exempt from the requirements to obtain a viatical settlement provider license, if they are a life insurance